

## Request for Proposals

The Town of Newington is requesting proposals, for energy procurement, energy management and related consultant services for municipal buildings and departments. All proposals must be submitted in accordance with Town requirements, as set forth in the Request for Proposals documents, which are available in the Office of the Town Manager, 131 Cedar Street, Newington, CT 06111 and on line at the Town's website, [www.newingtonct.gov](http://www.newingtonct.gov) under Doing Business, Bid Opportunities. Proposals will be received until 2:30 P.M. on September 25, 2013 in the Office of the Town Manager. The Town of Newington reserves the right to reject any or all submittals.

John L. Salomone  
Town Manager

RFP No. 1, 2013-14

TOWN OF NEWINGTON  
REQUEST FOR PROPOSALS

ENERGY PROCUREMENT AND CONSULTANT SERVICES

I. PURPOSE

- A. The Town of Newington (“Town”) is requesting proposals from experienced, qualified firms or individuals for energy procurement, energy management and related consulting services for Town general government buildings and departments. Board of Education buildings and departments may choose to participate at a later date but do not currently procure their energy through the Town general government.
- B. Town staff is looking for guidance and assistance in making energy procurement decisions, for electricity in the near term and for both electricity and natural gas in the long term.
- C. The Town is seeking an individual or firm to administer its energy procurement process. This includes obtaining electricity supply offers for municipal buildings, evaluating offers, assisting in contract negotiations, and otherwise advising on energy related matters.
- D. The Town is interested in procuring stable and predictable prices for electric and natural gas supply, scheduling the procurement of such supply contracts (to the extent reasonably possible) when market conditions are favorable, and monitoring the performance of such contracts. This Request for Proposals (“RFP”) is being issued by the Town in order to solicit proposals from an energy broker/consultant (“Consultant”) to assist the Town in meeting its objectives.

II. GENERAL REQUIREMENTS

- A. Respondents shall be able to provide the Town with a certificate of insurance satisfying the coverage limits and requirements set forth below. The Town reserves the right to waive informalities or to reject any or all proposals when such action is deemed to be in the best interests of the Town. The Town reserves the right to delete such items as it deems necessary from these proposals. All exceptions of the respondent to the terms and specifications of this RFP shall be made in writing and submitted in full with the proposal. For all other terms and specifications, submission of a proposal constitutes acceptance by the respondent. The Town reserves the sole right to reject proposals that contain exceptions which are unacceptable. In order to provide the requested services to the Town, the respondent must be able to demonstrate the expertise and flexibility necessary to

successfully complete this work. Services shall only be provided after written authorization is received from the Town. The Town reserves the right to utilize some, all or none of the various services identified in this RFP. All services performed shall be completed to the satisfaction of the Town Manager. The Town reserves the right to terminate any agreement upon ten (10) calendar days' written notice of failure by the respondent to provide service to the satisfaction of the Town Manager. All responses received are subject to the State of Connecticut Freedom of Information requirements.

**B. NONDISCRIMINATION**

The Contractor shall agree and warrant that it will not discriminate or permit discrimination against any person or group of persons on the grounds of sex, race, color, religion, age, marital status, ancestry, national origin, past history of mental disorder, mental disability, physical disability, or other basis in any manner prohibited by the laws of the United States, the State of Connecticut, or the Town of Newington.

**C. HOLD HARMLESS**

The Contractor agrees to indemnify, defend and hold harmless the Town of Newington and its respective officers, employees, agents and/or servants against all demands, claims, actions or causes of actions, losses, damages, liabilities, costs and expenses, including without limitation, interest, penalties, court costs and reasonable attorney's fees, asserted against, resultant to, imposed upon or incurred by the Town of Newington resulting from or arising out of:

1. Any breach by the Contractor of the terms of the specifications, or
2. Any injuries (including death) sustained by or alleged to have been sustained by the officers, employees, agents and/or servants of the Town of Newington or the Contractor or subcontractors or material men, or
3. Any injuries (including death) sustained by or alleged to have been sustained by any member of the public or otherwise any or all persons, or
4. Any damage to property, real or personal, (including property of the Town of Newington or its respective officers, agents and servants)

caused in whole or in part by the acts or omissions of the Contractor, any subcontractor, or any material men or anyone directly or indirectly employed by them while engaged in the performance of any work for the Town of Newington.

#### D. INSURANCE

The successful respondent shall furnish a certificate of insurance to the Town Manager for the following insurance coverage within ten (10) days from notice of award. All insurance coverage shall be written with an insurance company licensed to conduct business in the State of Connecticut and that has a current A.M. Best's rating of A-(VIII) or better. Insurance coverage shall remain in full force for the duration of the award/contract term including any and all extensions. All insurance, except for Professional Liability Insurance, shall be carried on an occurrence basis. Such certificate of insurance shall specify that the Town of Newington will receive thirty (30) days notice of any cancellation, non-renewal or reduction in coverage and limits originally provided.

1. Commercial General Liability including Premises-Operations, Independent Contractors, Blanket Contractual, Products and Completed Operations:

\$1,000,000 Each Occurrence  
\$1,000,000 Aggregate

Combined Single Limit for personal injury or property damage or both combined.

Such policy shall name the Town as additional insured.

2. Comprehensive Automobile Liability covering owned, non-owned, hired or leased vehicles.

\$1,000,000 Each Accident

Combined Single Limit for bodily injury or property damage or both combined.

3. Workers Compensation Insurance in accordance with Connecticut State Statutes.

Employers Liability Limit - \$100,000 per accident  
- \$100,000 for disease per employee  
- \$500,000 for each disease/policy limit.

#### E. TERM

The term of the contract with the Consultant selected will begin on the date of the contract following Town's written award. The contract term shall run through December 31, 2016. The contract may be extended one or more times beyond that date upon the mutual agreement, in writing, of both parties. The term(s) of such

extension(s) shall also be with the mutual agreement, in writing, of both parties. The Town reserves the right to terminate any agreement upon ten (10) calendar days' written notice of failure by the Consultant to provide service to the satisfaction of the Town Manager. Fees agreed upon with the Consultant selected as a result of this RFP shall remain in effect for the remainder of the contract term. Fees may be re-negotiated at the time of any contract extension, but will only be changed with the mutual agreement, in writing, of both parties prior to the start of the extension period for which the fees apply.

#### F. LEGAL REQUIREMENTS

The Consultant shall comply with all federal, state and local laws, ordinances, charter requirements, rules and/or regulations, as amended, which are applicable to the Consultant's obligations and services. In the event of any inconsistencies between applicable general laws and any contract that results from this RFP, the applicable general laws shall prevail. In the event that any provision of the contract is found invalid or unenforceable pursuant to judicial decree or decision, the remainder of the contract shall be valid and enforceable according to its terms. The validity, interpretation and enforcement of the contract shall be governed by the laws of the State of Connecticut.

### III. SCOPE OF SERVICES

- A. The Town is seeking to retain a firm (the Consultant) to provide periodic electricity and natural gas market analysis, both in terms of anticipated supply and for factors that are likely to affect price. Upon request, the Consultant shall make recommendations on procurement strategy, such as when the Town should enter the market place, the length of time it should purchase energy for, and the percentage of its energy needs the Town should contract for.
- B. The Consultant will be tasked with gathering the information required, and to shop the Town's anticipated energy requirements competitively to select a supplier, either through a bid, a reverse auction, or some other mutually agreed upon formal, open and competitive process.
- C. The Consultant shall monitor the market and shall assist the Town with carrying out its procurement strategy. It shall represent the Town in obtaining electricity and natural gas supply offers for municipal buildings, evaluating offers, and assisting in contract negotiations. It shall place contracts to purchase energy on the Town's behalf as directed by the Town.
- D. The Consultant shall also assist the Town in switching from one supplier to the next, and in dealing with issues such as consolidated billing. The Consultant shall assist the Town with other facets of contract administration with its supplier(s),

such as adding new accounts or successor accounts, re-enrolling any dropped accounts during the term of a supply contract, etc.

- E. The Consultant shall advise the Town on changes in the market, new methods of procurement, and other related trends in the energy field. The Consultant shall also, upon request, advise the Town of ways to manage and use its energy in order to reduce consumption and increase efficiency.
- F. The Consultant shall compile information on all Town utility accounts, as well as historical energy consumption and cost data for each utility account. If requested by the Town, the Consultant shall perform analysis and modeling of data. The Consultant shall determine the Town's budgetary objectives and provide both expertise and guidance in assisting the Town to select the product(s) and term(s) that best meet its needs.
- G. The Consultant shall generate an RFP or Bid document and distribute it to licensed third party competitive energy suppliers. The Consultant shall review responses, provide a report to the Town that compares and contrasts the relevant supply contract terms of the respondents and an analysis of their prices, provide a summarization of the qualified bid offers, and perform energy contract review. The Consultant shall negotiate final terms and pricing with third party energy suppliers, and provide enrollment services to the Town with the third party energy supplier(s) awarded a supply contract. When considering an award of a contract, the Town shall have sole discretion to execute or choose not to execute any supply contract that is procured by the Consultant.
- H. The Consultant shall monitor the electricity and natural gas markets regularly and provide analysis to the Town of market conditions to determine the ideal execution date when market conditions are favorable to issue a new procurement for a replacement supplier or an extension/renewal of the current supplier, at the Town's option. The Consultant shall also provide on-call services for energy market analysis regarding future energy pricing trends and relevant energy regulations that may impact the Town.

#### IV. CURRENT STATUS

The Town is committed to obtaining an economical and reliable supply of electricity and natural gas to serve municipal buildings. The Town's existing electricity supply contract expires with the Town's meter read date in late December 2013. The Town desires to execute an electricity supply contract as soon as it is feasible to do so following a procurement process conducted by the Consultant.

The Town currently has 45 electricity accounts, exclusive of the Board of Education. These accounts used approximately 2,670,000 kWh for the period from April 2011 through March 2012.

The Town currently has 23 natural gas accounts, including dual fuel accounts, exclusive of the Board of Education. These accounts used approximately 147,000 ccf for the period between July 2012 through June 2013.

The Town has been participating in the Capitol Region Council of Governments Connecticut Electricity Consortium, which purchased the Town's electricity for the period ending December 31, 2013 through a reverse auction administered by World Energy Solutions of Dublin, Ohio. The Town's electricity distributor is Liberty Power of Fort Lauderdale, Florida.

The Town has been participating in the Capitol Region Council of Governments Connecticut Natural Gas Consortium, which purchased the Town's natural gas for the period ending June 30, 2014 and to which the Town has committed through June 30, 2016. The Town's natural gas distributor is Direct Energy of Pittsburgh, Pennsylvania.

#### V. INITIAL SUBMITTAL

- A. In order to provide the requested service to the Town, the respondent must be able to demonstrate that it has the expertise, flexibility, and personnel available to successfully complete this assignment.
- B. The proposal shall contain a detailed listing of the qualified individuals who will be assigned to this project. The listing shall also reflect the method of internal management necessary to insure efficient, cost effective use of staff. Resumes of all individuals to be associated with this award shall be provided. Resumes shall include similar experience and responsibility for that activity to be performed under this award.
- C. The proposal shall demonstrate the ability of the firm to rapidly respond to the needs of the Town and must describe the processes the Consultant intends to use to procure electricity and natural gas suppliers for the Town. If the Consultant is proposing a joint-venture approach, overall responsibility must be clearly identified, as well as a detailed plan of delineation of work assignments.
- D. The proposal format should contain a letter of transmittal, an executive summary and information on the company's background and market knowledge. The initial submittal should address the firm's skills and experience with other municipalities. The initial submittal should include the following:
  - a. An overview of the company's overall services and major markets, including information on the company's history, the number of years in business, ownership, and size.
  - b. A description of the process to set up and manage energy strategy, procurement, contract implementation and reporting.
  - c. An overview of the current energy market across the United States and the complexities of managing and contracting with the various energy providers across the region.

- d. A description of the Consultant's standard reporting programs and any specific reporting applicable to this type of energy management program, including reporting on both market intelligence and performance tracking/benchmarks.
- e. Identify the Consultant's alignment and relationships with specific energy providers.
- E. The respondent's fee should also be included with the proposal, as described in Section IX below. Respondents shall describe the firm's capabilities, including the number of employees, the number and location of offices, etc. Conversely, each respondent shall also identify what services, information or other items it expects to receive or be provided by the Town.
- F. Respondents shall provide at least three references from other clients for whom it provides similar services with contact information, including name, current title, current telephone number, current e-mail, and identification of the company or locations referenced.
- G. Respondents shall state what they feel is unique about their firm that, in their opinion, would give them "an edge" and have them stand out as the individual or firm that the Town of Newington should retain for this assignment.

## VI. SELECTION PROCESS

All firms wishing to be considered for this appointment shall submit three (3) sets of their concisely worded replies based on the format and requirements set forth in this request for proposals to the Town Manager's Office, 131 Cedar Street, Newington, CT 06111, before 2:30 p.m., September 25, 2013. All submittals shall be clearly labeled "RFP No. 1, 2013-14, Energy Procurement and Consulting Services". The Town, at its sole discretion, shall determine the respondent or respondents that best meet its needs. That respondent or respondents may be invited for an interview at a date and time to be determined. The Town reserves the right to negotiate with the selected respondent or respondents prior to the award of any contract resulting from this Request for Proposals. The Town will award any contract resulting from this RFP to the firm that best responds to the requirements of this RFP, has the qualifications that best meets the needs of the Town, and which offers the most advantageous proposal, taking into consideration any evaluation criteria stated in this RFP as well as the fee per kWh/ccf or alternative fee mechanism for all services required during the contract term.

## VII. OTHER

The Town reserves the right to award the contract to the respondent or respondents that the Town deems to offer the most responsive and responsible proposal. The Town is not bound to accept a proposal based only on lowest price. In addition, the Town has, at its sole discretion, the right to cancel this RFP, to reject any or all proposals, to waive any or all informalities and/or irregularities, or to re-advertise with either the identical or revised specifications if it is deemed to be in the best interests of the Town to do so. The Town also reserves the right to make multiple awards based on the experience and/or



qualifications of the respondents and to award only a portion of the items and/or services specified, if deemed to be in the Town's best interest.

Services to be provided under this RFP shall only be provided after written authorization is received from the Town. All responses and submittals received as a result of this Request for Proposals shall become the property of the Town upon receipt. All work products provided to the Town following award shall also be the sole property of the Town upon receipt. The Town shall not be responsible for any expenses incurred in preparing and submitting a response to this Request for Proposals.

#### VIII. QUESTIONS

All questions regarding this request for proposals shall be directed in writing to Jeff Baron Director of Administrative Services, Town of Newington, 131 Cedar Street, Newington, CT 06111, e-mail address [jbaron@newingtonctgov](mailto:jbaron@newingtonctgov) . All questions shall be presented at least four business days prior to the submission deadline to allow for the preparation and distribution of addenda. Any addenda will be posted on the Town's website, [www.newingtonct.gov](http://www.newingtonct.gov) under Doing Business, Bid Opportunities, at least forty eight hours prior to the response deadline. It is the responsibility of each respondent to check this web site for the presence and content of any addenda. There is no pre-proposal conference scheduled.

#### IX. FEE PROPOSALS

- A. All fee proposals submitted in response to this RFP shall remain firm for a period of forty five days after the date of the interview. Fees should be all inclusive to provide all the items identified in the Scope of Services of this RFP. All charges for overhead, insurance, travel, telephone calls, postage, shipping, photocopies, software, training and any other miscellaneous expenses shall be included in the fee and shall not be billed separately.
- B. Respondents shall provide a description of the broker/consulting/management fee they would charge the Town. This description shall also describe how they will be billed through the supplier contract for the Town's natural gas or electricity. The Consultant selected by the Town will be required to submit verifiable proof of the broker's fee agreement with the supplier upon execution of any supply contract, including how energy units are counted for purposes of calculating payments to the Consultant. The fee shall be the complete price for all services and expenses incurred by the Consultant, and shall be paid directly to the Consultant by the supplier of electricity or natural gas. No proposal shall require the direct payment by the Town to the Consultant for any costs, expenses or expenditures.
- C. Any Consultant Agreement resulting from this RFP shall not commit the Town to execute any contract with any supplier. The Town agrees it will undertake a reasonable review of any contract procured or negotiated on

behalf of the Town. Compensation shall only be paid to the Consultant by a supplier to the extent the Town elects, at the Town's sole discretion, to execute a supply contract with and that is procured or negotiated on behalf of the Town. The Consultant shall be paid the same fee by each supplier during any procurement conducted on behalf of the Town so that the Consultant is unbiased towards any supplier the Town may elect to execute a contract with.